

News Release



BASF sells its Shreveport site and related contract manufacturing business to Dr. Reddy's Laboratories

FLORHAM PARK, NJ, April 30, 2008 -- BASF announced today that it has signed a definitive agreement to sell its manufacturing facility in Shreveport, Louisiana and the related contract manufacturing business for finished pharmaceuticals to Dr. Reddy's Laboratories, an international pharmaceutical company headquartered in Hyderabad, Andhra Pradesh, India. Both parties agreed not to disclose financial details of the transaction, which is expected to close today.

As part of the agreement, approximately 150 employees will transfer from BASF to Dr. Reddy's Laboratories. The 42-acre Shreveport facility currently manufactures and packages prescription and over-the-counter (OTC) pharmaceutical products, liquids, tablets and creams for the North American market. BASF is divesting the site and related business in order to concentrate on core businesses in its Care Chemicals division, which include custom synthesis services, excipients and active ingredients for the pharmaceuticals industry.

"BASF's contract manufacturing activity for finished pharmaceuticals is limited to North America and not linked to the technological growth areas of the company's Pharma Ingredients and Services business. We

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Corporate Media Relations

Ingrid Nienaber
Phone: +49 621 60-99123
Fax: +49 621 60-92693
ingrid.nienaber@basf.com

U.S. Media Inquiries

Maureen Paukert
BASF Corporation
Phone: +1 973 975-6234
E-mail:
maureen.paukert@basf.com

Trade Inquiries

Ellen Bravo
BASF Corporation
Phone: +1 973 519-1338
E-mail: ellen.bravo@basf.com

BASF SE
67056 Ludwigshafen, Germany
Phone: +49 621 60-0
<http://www.basf.com>
Corporate Media Relations
Phone: +49 621 60-20916
Fax: +49 621 60-92693
presse.kontakt@basf.com

want to continue to grow our excipients and custom synthesis operations to better serve the pharmaceutical industry in the future,” said Martin Widmann, Head of BASF’s Pharma Ingredients and Services global business unit. “We assessed a variety of strategic options, but ultimately concluded that a divestiture is the best scenario not only for BASF but also for the future of the Shreveport site and its employees.”

“We are excited about the acquisition of BASF’s finished dosage manufacturing facility in the United States as it enables us to strengthen our supply chain for North America, provides a strong platform for pursuing additional growth opportunities and also provides access to strong customer relationships with branded and generic companies,” said Satish Reddy, Managing Director & Chief Operating Officer, Dr. Reddy’s Laboratories

About Dr. Reddy’s Laboratories

Dr. Reddy’s Laboratories was established in 1984 in Hyderabad, India, and is a global pharmaceutical company with proven research capabilities. Dr. Reddy’s conducts research in the areas of diabetes, obesity, cardiovascular diseases, anti-infectives, and inflammation. The India based company produces finished dosage forms, active pharmaceutical ingredients, and biotechnology products which are marketed globally, with a focus on India, US, Europe, and Russia. (www.drreddys.com)

About BASF

BASF is the world’s leading chemical company: The Chemical Company. Its portfolio ranges from oil and gas to chemicals, plastics, performance products, agricultural products and fine chemicals. As a reliable partner BASF helps its customers in virtually all industries to be more successful. With its high-value products and intelligent solutions, BASF plays an important role in finding answers to global challenges such as climate protection, energy efficiency, nutrition and mobility. BASF has more than 95,000 employees and posted sales of almost €58 billion in 2007. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at www.basf.com.